

1 KEVIN V. RYAN (CASBN 118321)  
2 United States Attorney

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8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 SAN FRANCISCO DIVISION

11 **CR 02 0386**

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 CURTIS ANDERSON,  
16 STANLEY MALICAY, and  
17 RONALD PETERSON,

18 Defendants.

VIOLATIONS: 18 U.S.C. § 1163 – Theft  
From Indian Tribal Organization;  
18 U.S.C. § 1167(b) – Theft From Gaming  
Establishment on Indian Lands; 18 U.S.C.  
§ 1343 – Wire Fraud; 18 U.S.C. § 1341 –  
Mail Fraud; 18 U.S.C. § 371 – Conspiracy;  
18 U.S.C. § 2 – Aiding and Abetting

SAN FRANCISCO VENUE

19 INDICTMENT

20 The Grand Jury charges:

21 INTRODUCTORY ALLEGATIONS

22 At all times relevant to the charges set forth in this Indictment:

23 1. The Robinson Rancheria Band of Pomo Indians (hereafter “the Tribe”) was a  
24 tribe, band and community of Indians subject to the laws of the United States relating to Indian  
25 affairs. The Tribe owned the Robinson Rancheria, a reservation located in Lake County,  
26 California. Many of the Tribe’s members lived on the Rancheria.

27 2. The Tribe’s governing body, the Robinson Rancheria Citizen’s Council (hereafter  
28 “the Council”), was comprised of six members: a Chairperson, Vice-Chairperson, and Secretary-

1 Treasurer, as well as three Members-at-Large.

2 3. The Tribe maintained checking account number 0351077730 at the Bank of Lake  
3 County in Upper Lake, California (hereafter "the Tribe's account"). Per the Tribe's policies, two  
4 Council members had to sign a check before it could be issued from the Tribe's account.

5 4. Robinson Rancheria Bingo and Casino (hereafter "the Casino") was a casino  
6 located on Robinson Rancheria. The Casino was a gaming establishment operated by the Tribe  
7 pursuant to an ordinance and resolution approved by the National Indian Gaming Commission.  
8 The Casino maintained operating account number 0351003694 at the Bank of Lake County  
9 branch in Upper Lake, California (hereafter "the Casino's account"). Specific individuals  
10 designated by the Council, including the Casino's General Manager, had signing authority over  
11 the Casino operating account. Per the Casino's policies and procedures, two authorized signers  
12 had to sign a check before it could be issued to a vendor from the Casino's account.

13 THE DEFENDANTS

14 5. CURTIS ANDERSON was a member of the Tribe. Between 1997 and 1999,  
15 ANDERSON was the Chairperson of the Tribe and head of the Council. As a member of the  
16 Council, ANDERSON had signing authority over the Tribe's checking account. ANDERSON  
17 also maintained a personal checking account, account number 356-01543-8, at the Bank of Lake  
18 County branch in Kelseyville, California. ANDERSON also maintained a second personal  
19 checking account, account number 1-534-0103-1882, at U.S. Bank.

20 6. STANLEY MALICAY was a member of the Tribe. During 1997 and 1998,  
21 MALICAY served as the Tribe's economic development advisor. MALICAY was not a member  
22 of the Council and did not have signing authority over the Tribe's checking account. MALICAY  
23 and his wife maintained checking account number 351-01205-9 and savings account number  
24 2351-13359-6 at the Bank of Lake County.

25 7. RONALD PETERSON owned a business called "Innovative Sales & Leasing,"  
26 which he ran out of his home in Willits, California. PETERSON maintained business checking  
27 account 06854-08146 at the Bank of America in McKinleyville, California on behalf of his  
28 business and himself. In 1998 and 1999, the Tribe contracted with PETERSON and Innovative

1 Sales and Leasing to maintain the slot machines at the Casino.

2 COUNT ONE: (18 U.S.C. § 371 – Conspiracy)

3 8. Paragraphs 1 through 7 are realleged and incorporated here as if they were set  
4 forth in full.

5 9. Beginning on a date unknown to the grand jury, but no later than December 21,  
6 1998, and continuing to on or about December 31, 1998, within the Northern District of  
7 California and elsewhere, the defendants

8 CURTIS ANDERSON,  
9 STANLEY MALICAY, and  
RONALD PETERSON,

10 and others known and unknown to the grand jury, did knowingly and intentionally conspire to  
11 commit an offense against the United States, specifically theft of funds of a value in excess of  
12 \$1,000 from an Indian tribal organization, in violation of Title 18, United States Code, Section  
13 1163, as follows:

14 The Innovative Sales and Leasing Conspiracy

15 10. ANDERSON and MALICAY diverted the Tribe's money to themselves by  
16 inducing the Tribe to make a payment to a third-party contractor, PETERSON, who agreed to  
17 kick back a portion of such payment to ANDERSON and MALICAY in the form of checks.  
18 ANDERSON, MALICAY and PETERSON understood that PETERSON was not performing  
19 any legitimate services on behalf of the Tribe in exchange for this payment.

20 11. In furtherance of the conspiracy and to effect the objects thereof, the defendants  
21 committed the following overt acts, among others, in the Northern District of California and  
22 elsewhere:

23 a. On or about December 21, 1998, ANDERSON and MALICAY met with  
24 PETERSON in ANDERSON's office at Robinson Rancheria.

25 b. On or about December 21, 1998, ANDERSON, in his capacity as a  
26 member of the Council, signed a check (number 23893) drawn on the Tribe's account in the  
27 amount of \$25,000 and made out to PETERSON.

28 c. On or about December 21, 1998, PETERSON gave MALICAY four

1 checks drawn on PETERSON's Bank of America account and dated December 23, 1998 (check  
2 numbers 1755, 1756, 1757 and 1758).

3 d. On or about December 21, 1998, immediately after receiving the checks  
4 from PETERSON and in PETERSON's presence, MALICAY gave two of the checks (check  
5 numbers 1755 and 1756) to ANDERSON.

6 e. On or about December 22, 1998, PETERSON deposited check number  
7 23893 drawn on the Tribe's account into his Bank of America account.

8 f. On or about December 23, 1998, MALICAY deposited one of the checks  
9 he received from PETERSON into his personal bank account at the Bank of Lake County.

10 g. On or about December 24, 1998, ANDERSON deposited one of the  
11 checks he received from PETERSON (via MALICAY) into his personal bank account at U.S.  
12 Bank.

13 h. On or about December 28, 1998, ANDERSON deposited one of the  
14 checks he received from PETERSON (via MALICAY) into his personal bank account at U.S.  
15 Bank.

16 i. On or about December 31, 1998, MALICAY deposited one of the checks  
17 he received from PETERSON into his personal bank account at the Bank of Lake County.

18 All in violation of Title 18, United States Code, Section 371.

19 COUNT TWO: (18 U.S.C. § 371 – Conspiracy)

20 12. Paragraphs 1 through 7 are realleged and incorporated here as if they were set  
21 forth in full.

22 13. Round One Promotions, Inc. (hereafter "Round One") was a corporation based in  
23 Atlanta, Georgia with offices in Atlanta and New Jersey. Round One was in the business of  
24 promoting boxing matches. Round One maintained business checking account number 80-1051-  
25 9443 at PNC Bank in New Jersey. In December of 1997, MALICAY negotiated with Round  
26 One regarding a series of boxing matches to be held at the Casino in 1998.

27 14. Beginning on a date unknown to the grand jury, but no later than December 10,  
28 1997, and continuing to on or about December 24, 1997, within the Northern District of

1 California and elsewhere, the defendants

2 CURTIS ANDERSON and  
3 STANLEY MALICAY,

4 and others known and unknown to the grand jury, did knowingly and intentionally conspire to  
5 commit an offense against the United States, specifically theft and misapplication of funds of a  
6 value in excess of \$1,000 belonging to a gaming establishment on Indian lands, in violation of  
7 Title 18, United States Code, Section 1167(b), as follows:

8 The Round One Conspiracy

9 15. ANDERSON and MALICAY diverted the Casino's money to themselves by  
10 inducing the Casino's management staff to authorize a payment to a third-party contractor,  
11 Round One, then inducing Round One to remit a portion of the payment to ANDERSON and  
12 MALICAY in the form of checks and wire transfers.

13 16. In furtherance of the conspiracy and to effect the objects thereof, the defendants  
14 committed the following overt acts, among others, in the Northern District of California and  
15 elsewhere:

16 a. On or about December 10, 1997, ANDERSON directed the General  
17 Manager of the Casino to obtain a \$49,000 cashier's check (number 25436) using funds from the  
18 Casino's account.

19 b. On or about December 10, 1997, ANDERSON directed the General  
20 Manager of the Casino to sign a \$6,000 check (number 0014800) drawn on the Casino's account  
21 and made payable to "Round-One Promotions, Inc."

22 c. On or about December 11, 1997, MALICAY traveled to New Jersey.

23 d. On or about December 11, 1997, MALICAY gave the two checks  
24 described above to Round One's Chief Financial Officer ("CFO").

25 e. On or about December 15, 1997, MALICAY deposited three checks  
26 totaling \$5,000 (numbers 1456, 1457 and 1458) drawn on Round One's PNC Bank account into  
27 his Bank of Lake County checking account.

28 f. On or about December 15, 1997, ANDERSON deposited a \$3,000 check  
(number 1459) drawn on Round One's PNC Bank account into his Bank of Lake County

1 checking account.

2 g. On or about December 24, 1997, MALICAY directed Round One's CFO  
3 to wire transfer \$5,000 from Round One Promotions' PNC Bank account to MALICAY's Bank  
4 of Lake County savings account.

5 All in violation of Title 18, United States Code, Section 371.

6 COUNT THREE: (18 U.S.C. §§ 1163 and 2 - Theft from Indian Tribal Organization; Aiding and  
7 Abetting)

8 17. Paragraphs 1 through 11 are hereby realleged and incorporated herein as though  
9 set forth in full.

10 18. On or about and between December 21, 1998 and December 31, 1998, in the  
11 Northern District of California, the defendants

12 CURTIS ANDERSON,  
13 STANLEY MALICAY, and  
RONALD PETERSON,

14 did embezzle, steal, knowingly convert to their own use, and willfully permit to be misapplied  
15 funds of a value in excess of \$1,000 belonging to the Robinson Rancheria Band of Pomo Indians,  
16 a tribal organization, and did aid and abet the same, in violation of Title 18, United States Code,  
17 Sections 1163 and 2.

18 COUNT FOUR: (18 U.S.C. §§ 1167(b) and 2 -Theft and Misapplication of Funds Belonging to  
19 Gaming Establishment on Indian Lands; Aiding and Abetting)

20 19. Paragraphs 1 through 7 and 12 through 16 are hereby realleged and incorporated  
21 herein as though set forth in full.

22 20. On or about and between December 10, 1997 and December 24, 1997, in the  
23 Northern District of California, the defendants

24 CURTIS ANDERSON and  
25 STANLEY MALICAY,

26 did abstract, purloin, willfully misapply and take and carry away with intent to steal funds of a  
27 value in excess of \$1,000 belonging to Robinson Rancheria Bingo and Casino, a gaming  
28 establishment operated by an Indian tribe pursuant to an ordinance and resolution approved by  
the National Indian Gaming Commission, and did aid and abet the same, in violation of Title 18,

1 United States Code, Sections 1167(b) and 2.

2 COUNTS FIVE AND SIX: (18 U.S.C. §§ 1341 and 1343 – Wire and Mail Fraud)

3 21. Paragraphs 1 through 7 are hereby realleged and incorporated herein as though set  
4 forth in full.

5 The Fraudulent Loan Application Scheme

6 It was part of the scheme to defraud that:

7 22. On behalf of the Tribe, ANDERSON and MALICAY submitted a fraudulent  
8 application for a \$75,000 loan from a municipal lender located in Pennsylvania (hereafter “the  
9 Lender”).

10 23. PETERSON agreed to provide ANDERSON and MALICAY with a false invoice  
11 purporting to show that PETERSON sold the Tribe \$75,000 worth of goods to the Tribe.  
12 PETERSON knew that ANDERSON and MALICAY intended to use the invoice to support the  
13 Tribe’s loan application.

14 24. MALICAY, knowing the invoice to be false, submitted the invoice to the Lender  
15 in support of the Tribe’s loan application.

16 25. The lender authorized the loan to the Tribe and paid \$75,000 directly to  
17 PETERSON, the alleged supplier of the goods.

18 26. PETERSON signed over the lender’s check to the Tribe.

19 27. ANDERSON co-endorsed a \$7,500 check from the Tribe’s account made payable  
20 to PETERSON.

21 28. PETERSON never supplied the \$75,000 worth of goods described in the invoice  
22 to the Tribe, or performed any services on behalf of the Tribe in exchange for the \$7,500  
23 payment.

24 29. On or about the dates set forth below, in the Northern District of California and  
25 elsewhere, the defendants

26 CURTIS ANDERSON,  
27 STANLEY MALICAY, and  
28 RONALD PETERSON,

having devised and intending to devise the scheme and artifice to defraud and obtain money by

means of false and fraudulent pretenses, representations and promises set forth in paragraphs 21 through 28 above, did for the purpose of executing and attempting to execute such scheme knowingly cause to be delivered by wire communication and mail the following items, in violation of Title 18, United States Code, Sections 1341 and 1343, as follows:

<u>Count</u>	<u>Approximate Date</u>	<u>Form of Communication</u>	<u>Description</u>
Five	May 21, 1998	Wire Transmission (facsimile)	May 19, 1998 letter from Curtis Anderson, Jr., Tribal Chairman, in California to Lender in Pennsylvania
Six	June 6, 1998	Mailing	Check number 0026988, payable to Innovative Sales

All in violation of Title 18, United States Code, Sections 1341 and 1343.

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1 COUNT SEVEN: (18 U.S.C. §§ 1163 and 2 – Theft from Indian Tribal Organization; Aiding and  
2 Abetting)

3 30. Paragraphs 1 through 7 and 21 through 29 are hereby realleged and incorporated  
4 herein as though set forth in full.

5 31. On or about June 22, 1998, in the Northern District of California, the defendants

6 CURTIS ANDERSON,  
7 STANLEY MALICAY, and  
8 RONALD PETERSON,

9 did embezzle, steal, knowingly convert to their own use, and willfully permit to be misapplied  
10 funds of a value in excess of \$1,000 belonging to the Robinson Rancheria Band of Pomo Indians,  
11 a tribal organization, and did aid and abet the same, in violation of Title 18, United States Code,  
12 Sections 1163 and 2.

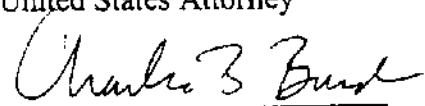
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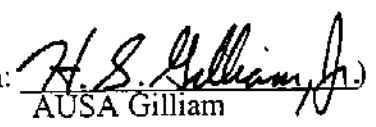
14 12/4/02

A TRUE BILL.

  
FOREPERSON

15 KEVIN V. RYAN  
16 United States Attorney

17   
18 CHARLES B. BURCH  
19 Chief, Criminal Division

20 (Approved as to form:   
21 AUSA Gilliam